

A city skyline with various buildings, including a prominent blue glass skyscraper. In the foreground, a modern glass building features the Advanced Energy logo. The image is overlaid with a dark blue geometric pattern on the left side.

Advanced Energy (AEIS) Investor Presentation

FEBRUARY 2026

Safe Harbor

Forward-Looking Statements: Advanced Energy Industries, Inc.'s guidance and other statements herein or made on the conference call contain, in addition to historical information, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements in this presentation that are not historical information are forward-looking statements. For example, statements relating to Advanced Energy's beliefs, expectations, and plans are forward-looking statements, as are statements that certain actions, conditions, events, or circumstances will continue. The inclusion of words such as "anticipate," "expect," "estimate," "can," "may," "might," "continue," "enable," "plan," "intend," "should," "predict," "could," "would," "will," "likely," "potential," "future," "target," "need," "drive," "next-gen," "exit," "model," "believe," "grow," "accelerate," "gain," "win," "deliver," "optimize," "outperform," "maintain," "raise," "add," "sustain," and similar expressions and the negative versions thereof indicate forward-looking statements; however, not all forward-looking statements may contain such words or expressions. Although Advanced Energy believes that the expectations reflected in or suggested by these forward-looking statements are reasonable, the company may not achieve the results, performance, plans, or objectives expressed or implied by such forward-looking statements. Forward-looking statements involve risks and uncertainties, which are difficult to predict and many of which are beyond Advanced Energy's control. Actual results could differ materially and adversely from those expressed in any forward-looking statements, and investors are cautioned not to place undue reliance on forward-looking statements. Factors that could contribute to these differences or prove the forward-looking statements herein, by hindsight, to be overly optimistic or unachievable include, but are not limited to: volatility and business fluctuations in the industries in which we compete; our ability to achieve design wins with new and existing customers; our ability to accurately forecast and meet customer demand; risks related to global economic conditions, such as the impact of escalating global conflicts on macroeconomic conditions, impact of tariffs and export regulations, economic uncertainty, market volatility, rising interest rates, inflation, lack of growth in our markets or recession; customer price sensitivity; the U.S. Dollar's change in value against its major peers; concentration of our customer base; risks associated with potential breach of our information security measures, either external breach or internal data theft; difficulties with the implementation of our enterprise resource planning and other enterprise-wide information technology system applications; our loss of or inability to attract and retain key personnel; risks associated with our manufacturing footprint optimization and movement of manufacturing locations for certain products; disruptions to our manufacturing operations or those of our customers or suppliers; our ability to successfully identify, close, integrate and realize anticipated benefits from our acquisitions; quality issues or unanticipated costs in fulfilling our warranty obligations (including our discontinued solar inverter product line), and adequacy of our warranty reserves; risks inherent in our international operations, including the effect of export controls, the impact of tariffs on our supply chain or products we sell, political and geographical risks, and fluctuations in currency exchange rates; our ability to enforce, protect, and maintain our proprietary technology and intellectual property rights; regulatory risk related to our supply chain; legal matters, claims, investigations, and proceedings; changes to tax laws and regulations or our tax rates; changes in federal, state, local and foreign regulations, including with respect to trade compliance, privacy and data protection, supply chain, and environmental regulation; the effect of our debt obligations and restrictive covenants on our ability to operate our business; risks related to our unfunded pension obligations; our estimates of the fair value of intangible assets; the potential impact of dilution related to our convertible debt, hedge, and warrant transactions; and the risks and uncertainties described in Part I, Item 1A, of our Annual Report on Form 10-K for the year ended December 31, 2025. All forward-looking statements are made and based on information available to Advanced Energy's management team as of February 10, 2026. The company assumes no obligation to update the information in this presentation.

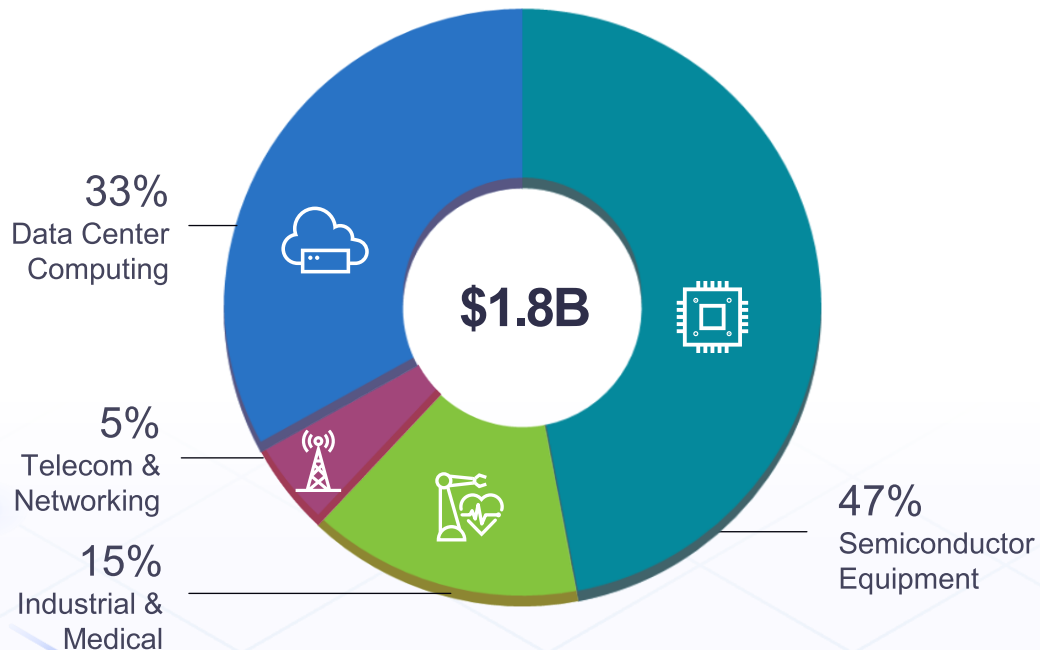
Non-GAAP Financial Measures: We refer to non-GAAP earnings per share and other non-GAAP financial measures that our management believes are useful tools to evaluate our business from the perspective of management. Detailed reconciliations of GAAP to non-GAAP financials can be found on the subsequent slides.

AT A GLANCE

Leader in Precision Power

Headquartered in Denver Colorado, **Advanced Energy** (**NASDAQ: AEIS**) is a global leader in design and manufacture of highly engineered **precision power** conversion, measurement and control solutions for **mission-critical applications and processes**

2025 REVENUE



1981
Founded



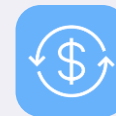
>70%
Proprietary Designs



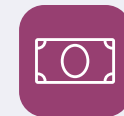
1,500+
Technical Team



1,000+
Patents Issued



\$1.8B
2025 Revenue



\$284M
2025 Non-GAAP⁽¹⁾
Operating Income

(1) Detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

Lead the Future of Precision Power



01

Precision power leader enabling next generation processes and technologies

02

Expanding set of high-end opportunities across diverse end markets

03

Solid revenue growth driven by new products, share gain, and acquisitions

04

Superior earnings power with well-defined path to expand non-GAAP gross margin⁽¹⁾ to ~43%

(1) Gross margin on a non-GAAP basis; Detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

Proprietary Power Solutions for High-Value Markets

AE KEY ATTRIBUTES:

Broad portfolio of leadership technologies

Long life-cycle applications

> 70% of revenues from sole-sourced designs

Strong new product and design win momentum



SEMICONDUCTOR
EQUIPMENT



Process Power



INDUSTRIAL



Industrial Power



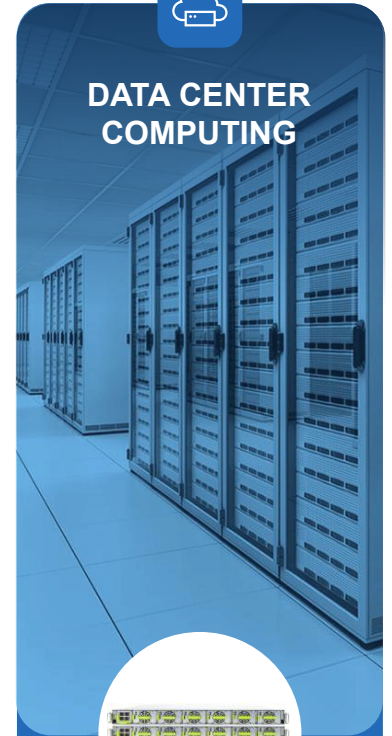
MEDICAL



Medical Power



DATA CENTER
COMPUTING



Server Power

Sustainable Competitive Advantages



Industry-leading power technologies for advanced processes



Broadest portfolio of precision power products



Largest technical team of ~1,500 power designers and development engineers



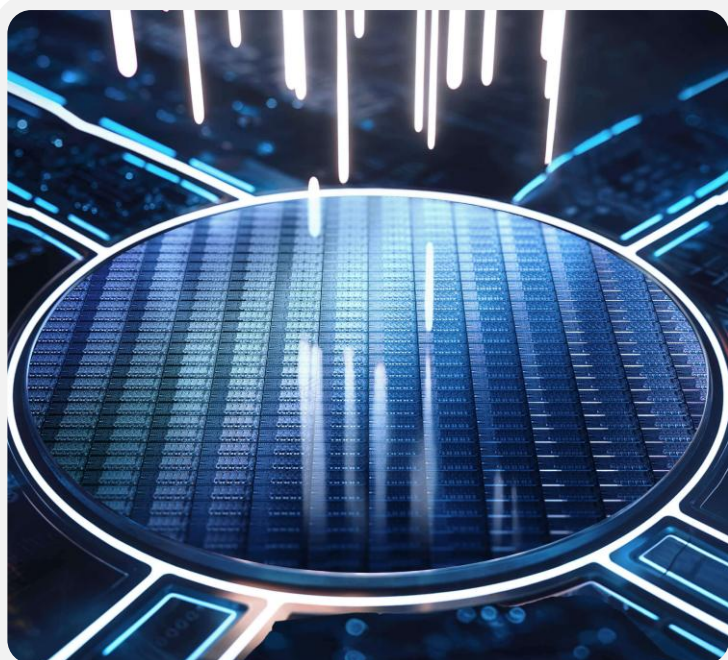
Deepest application know-how



Operational excellence with award-winning execution and quality

Lead the precision power industry with advanced technologies and scale, focused on capturing high-value differentiated applications

Technology Leadership and Market Leading Positions



Semi Process Power

#1 in plasma power⁽¹⁾

Enabling sub-2nm logic and 3D device architectures



Industrial Power

Large portfolio of high-value and configurable solutions

Powering wide-range of industrial applications



Medical Power

#2 in Medical power⁽²⁾

Enabling therapeutic, diagnostic and patient care innovation

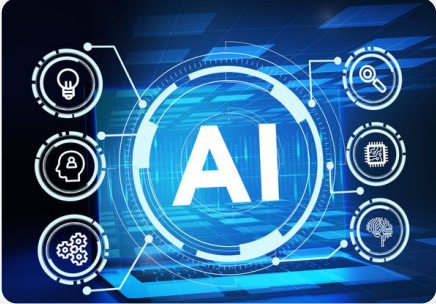


Data Center Power

Best-in-class power efficiency, density and reliability

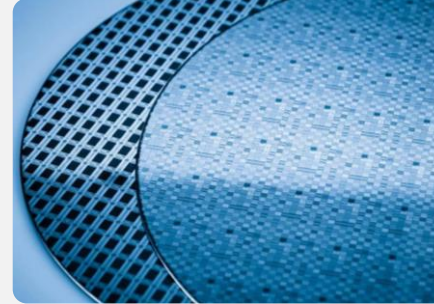
Fueling power-hungry AI applications

Multiple Macro Drivers



Artificial Intelligence

Driving increased power consumption in data center and demand for leading-edge silicon



\$1 Trillion Semi Market⁽¹⁾

Increasing use of semiconductor technology across many industries



Energy Efficiency

Need to reduce power consumption and increase efficiency of large capital equipment



Electrification

Increasing demand for precision power solutions in industrial applications



Industrial Automation

Support the need for improved, low-cost, high-quality manufacturing output



Medical Innovation

Customized and certified power solutions that enable medical innovation

(1) According to forecasts by McKinsey & Company and SEMI, the global semiconductor industry is projected to grow to over \$1 trillion dollars by around 2030

Outgrow WFE on Increased Intensity and Share Gains

Higher Etch/Deposition and power intensity

3rd Party '24-'29 CAGR Forecast⁽¹⁾:

Increased Etch/Dep Intensity

+110 bps

Plasma Etch/Dep Equipment Market CAGR above Fab Equipment Market

Increased Power Content

+40 bps

Process Power Subsystem Market CAGR above Plasma Etch/Dep Equipment Market

Share gains from new plasma power products



eVoS



eVerest



NavX

Strong customer pull due to **large technical differentiation**

Win share in **Dielectric Etch**, Conductor Etch, and Deposition

Expect to **add > \$100 million** of incremental annual revenue by 2030

Win new designs in Semi adjacent power applications



System Power



Thermal & Sensing



Remote Plasma Source



High Voltage

Add **~\$1B SAM⁽²⁾**

Expect to **add > \$40 million** of incremental annual revenue y 2030



Raising growth target to > 1.3X WFE CAGR driven by increased etch/dep and power intensity, share gains in plasma power and winning in other power applications

(1) TechInsight Semiconductor Manufacturing Equipment Revenues and TechInsight Critical Subsystems Forecast reports, September 2024

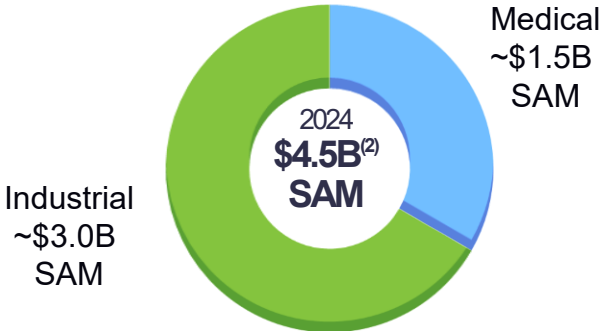
(2) Market size is based on SEMI, TechInsight, and management estimates

Accelerate Growth in Industrial and Medical

01 Large underpenetrated and fragmented market

High-end, long-life cycle applications
AE's scale and dedicated technical teams compete well against smaller, niche competitors

#2 **medical** in 2024⁽¹⁾



02 Accelerating launch of new I&M platforms

2X # of custom solutions

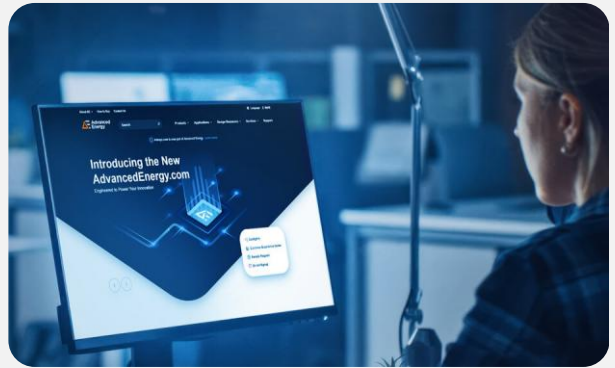
Leverage common platforms to deliver proprietary solutions



03 Grow design wins with website and expanded reach

Large funnel of opportunities with >33% design win conversion

Expect to add > **\$125 million** of incremental annual revenue by 2030

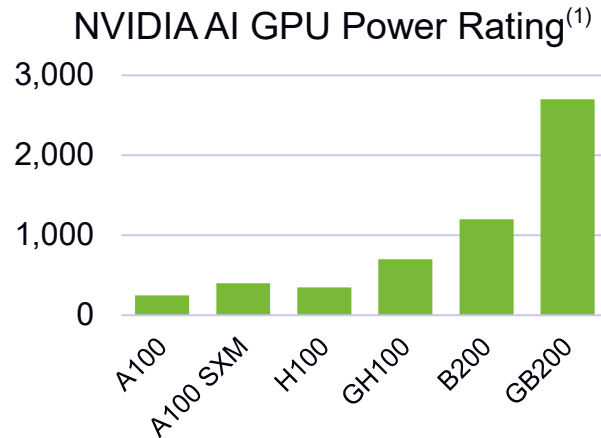


Target > 2X market growth driven by accelerated new product introductions, expanded customer reach and growing design wins

(1) Based on 2024 market share in the WAWT Global AC-DC and DC-DC Merchant Power Supply Market Report, 2025 Edition
(2) Market sizes and CAGR are based on WAWT, MTC, Wall Street reports, and management estimates

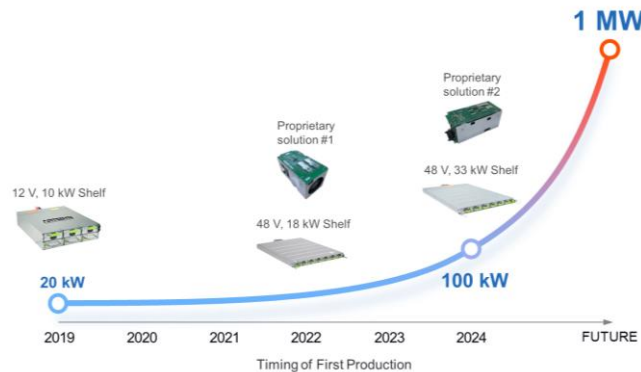
Data Center Computing Leverages AI Technology Roadmap

AI driving need for higher rack power ...



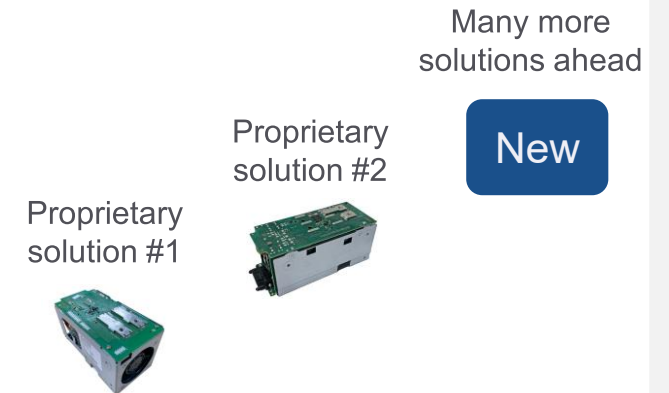
Increasing importance of power **efficiency, density and reliability**

... while compressing time to market



Key technology enabler with a **roadmap to Megawatt power**

Pipeline of proprietary solutions enables faster than market growth



Expect to **add >\$100 million** of proprietary annual revenue by 2030

Focus on high-end proprietary AI applications to drive profitable growth

(1) Represented by Maximum GPU Thermal Design Power in Watts; GPU with higher TDP would also consume more power

Accelerated Launch of New Platforms

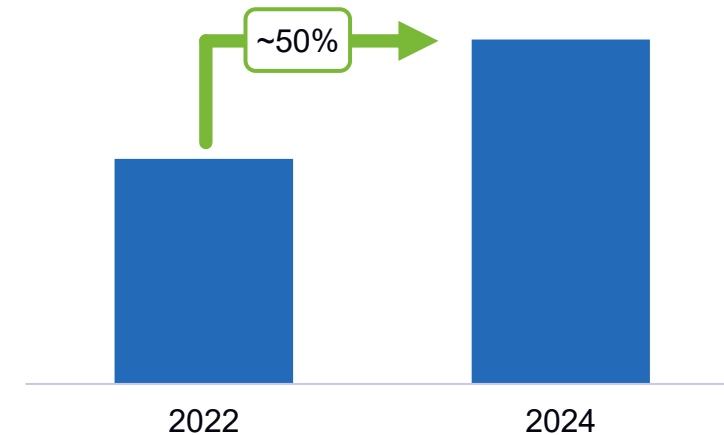
Accelerated Launch of New Platforms



Technology-leading product platforms
Delivering > 2X number of custom products
Strong customer pull reinforces technology leadership

Growing Pipeline of Design Wins

of I&M Design Opportunities



High design win conversion rate (>33%)
Strong momentum in Industrial and Medical pipeline
New design wins will drive share gains

Improved Digital Capability Expanding Reach

WEB PERFORMANCE IMPROVEMENTS:

3X
Traffic

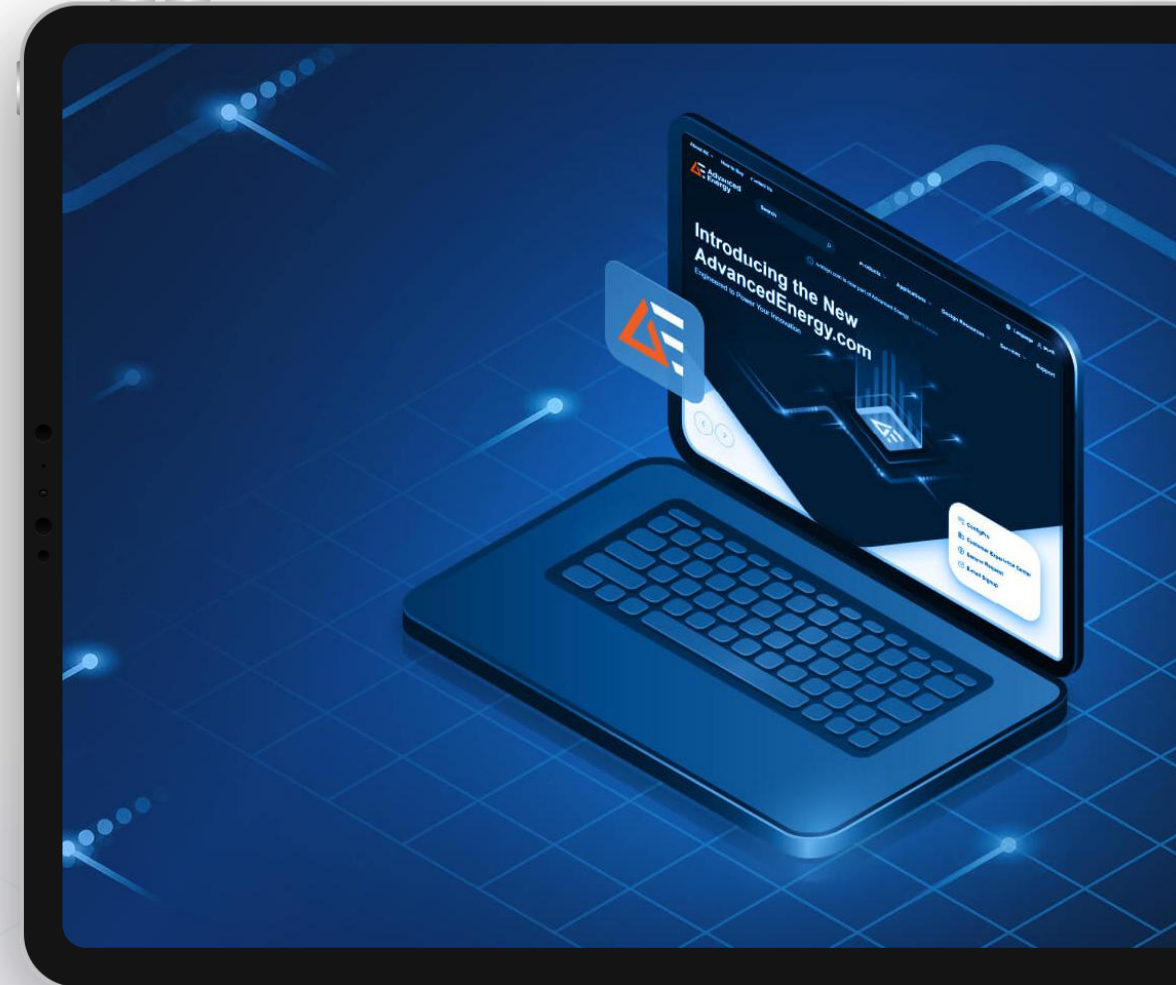
3X
of Registered
Users

2X
Sales Leads

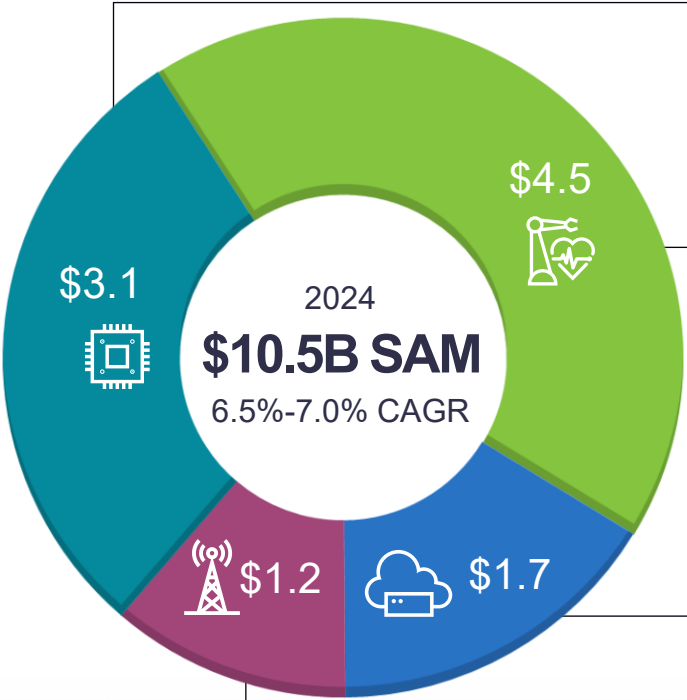
DRIVING BUSINESS RESULTS:

>600
New Customers
Added

>300
At end of Q2 2025
>150
New Design Wins



Targeting Healthy Growth Above Our Markets



LT Market Growth Outlook

Semiconductor

~8% **CAGR** based on a \$1T Semi market & increased capital intensity

Industrial and Medical

~4% **CAGR** after market normalizes with completion of inventory destocking

Data Center Computing

~6% **CAGR** on growing AI demand across hyperscale and enterprise

Telecom and Networking

~1% **growth** with newer generation replacing older generation products

AE LT Organic Growth Outlook

Extend Leadership

>30% **growth above WFE** on etch/dep intensity, new products and share gains

Accelerate Growth

2X **market growth** on new products, channel and expanded customer reach

Leverage AI Opportunity

>\$100M **added proprietary revenue** by 2030 from differentiated strategy

Optimize Business

Target high-value wins on optimized portfolio

2030 SAM ~\$15.5B

~40% above market growth

Inorganic Strategy Focus on Growing Scope and Leveraging Scale

ACQUISITION CRITERIA

Precision power solutions

Expanding reach, served market or portfolio

Synergistic with current operations

Technical leadership or differentiated products

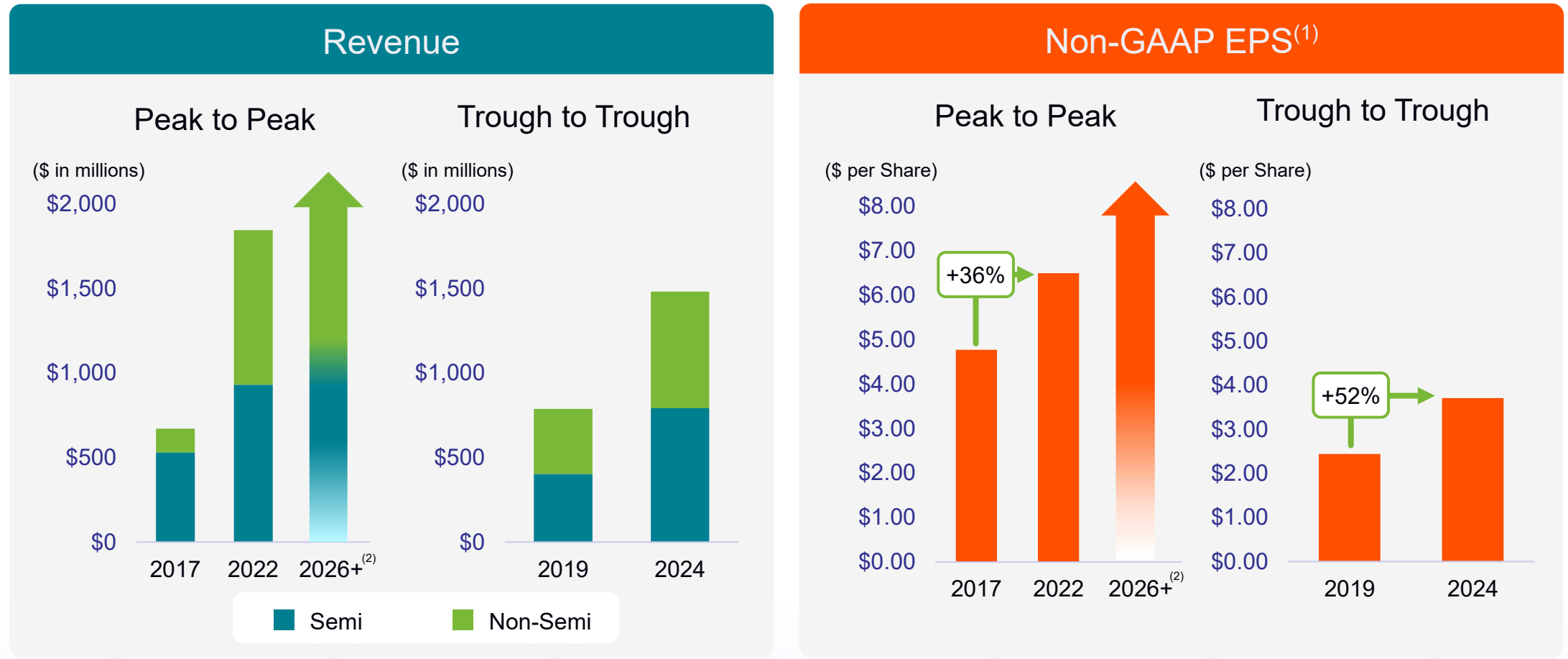


A solid track record in acquiring and growing profitable businesses

Focus on large accretive targets in I&M market and technology tuck-ins

Financial discipline with a focus on value creation

Higher Through-Cycle Financial Performance



**2026+ to surpass last peak in 2022 with higher revenue and earnings ...
... while achieving higher trough financial performance in 2024**

(1) Detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation
(2) 2026+ bars represent current consensus estimate ranges

Operational Excellence Enables Superior Financial Performance

01

Consolidating into five large manufacturing sites in Southeast Asia and Mexico

02

Cost-effective infrastructure for high-mix, low-volume manufacturing

03

Internal manufacturing to better support long-life cycle products

04

Continuous improvement in quality and cost to drive best-in-class operations



World-class manufacturing operation to power \$3 billion in target revenue by 2030

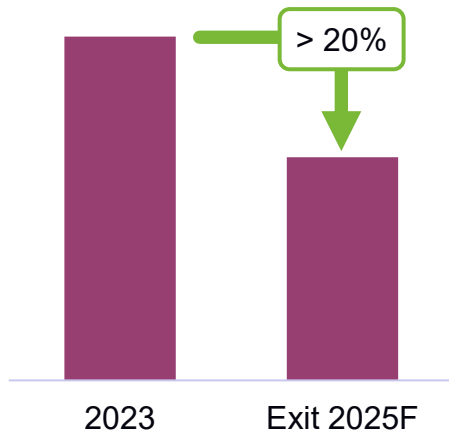


Structurally Expand Gross Margin

01

Manufacturing and Cost Improvements

Manufacturing overhead costs after consolidation



Benefits

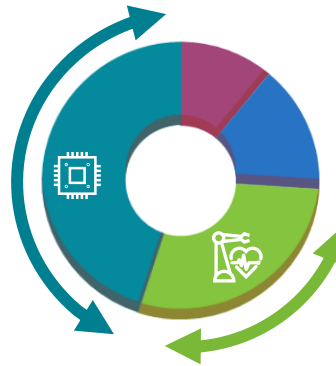
From 1H'24 levels

200-250 bps

02

Improve Product Mix

Focus on growing margin accretive markets



Sole-sourced from
>70% to >80%

Margin uplift from
Next-gen products



Benefits

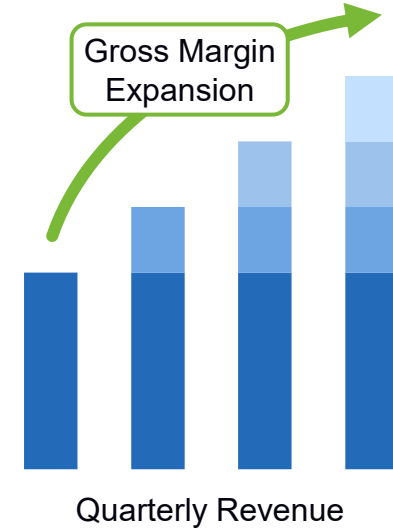
From 1H'24 levels

200-300 bps

03

Volume Leverage

Gross Margin
Expansion



Benefits

From 1H'24 levels

100-350 bps

➔ Target to increase gross margin by 500-900 bps and maintain > 40% through business cycles

(1) All gross margin figures are on a non-GAAP basis; Detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

Financial Framework to 2030 Long-term Target Model

(\$ in millions, except per share data)	2024	2030 Organic Model	Organic Model Assumptions	Acquisition (Post Synergies)	2030 Long-term Model
Revenue	\$1,482	\$2,500	> 9% CAGR on market recovery + AE growth strategies	\$500	\$3,000
Gross Margin ⁽¹⁾	36.3%	43.5%	Structural GM improvement + volume leverage	42.0%	43.3%
OPEX as % of Sales ⁽¹⁾	26.1%	19.8%	< 50% of revenue growth	20.0%	19.8%
Operating Margin ⁽¹⁾	10.2%	23.7%	~40% incremental margins	22.0%	23.4%
EBITDA Margin ⁽¹⁾	13.0%	26.0%	Demonstrates operating leverage	24.0%	25.7%
Earnings Per Share ⁽¹⁾	\$3.71	\$13.75	> 2.0X revenue growth	\$1.25	\$15.00

(1) Non-GAAP financial basis; detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

Capital Allocation Focused on Growth

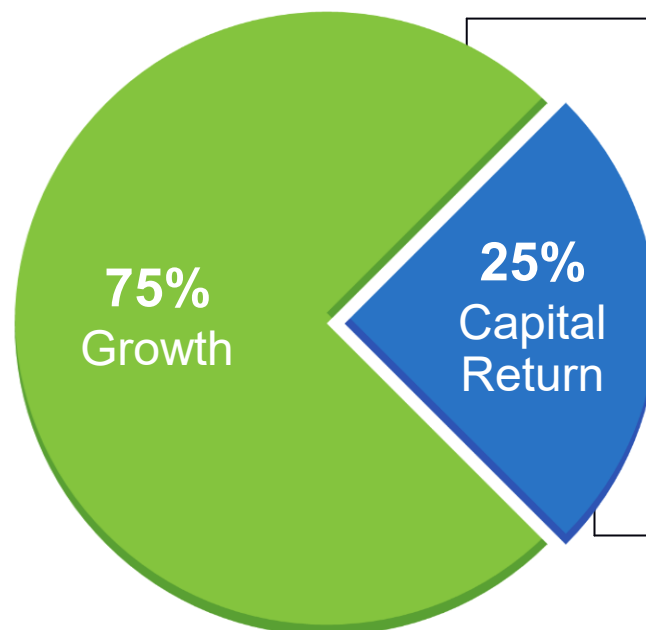
Capital Allocation Track Record 10-year Cumulative (2016 to 2025)

Free Cash Flow
\$1,210M

Total Acquisitions
\$667M

Capital Return
\$390M

Allocation of Free Cash Flow



Growth Through Strategic Acquisitions: ~75%

- Targeting deal returns > Cost of Capital
- Non-GAAP⁽¹⁾ EPS accretive in Year 1
- Post-deal net debt leverage⁽²⁾ at < 3.0x
- Post-deal Debt/Equity⁽³⁾ at < 1.5x

Share Repurchase and Dividend Program: ~25%

- Opportunistic repurchase program to take advantage of market volatility
- Target to offset dilution over time
- Quarterly dividend program at \$0.10/share

Capital allocation focused on growth through strategic acquisitions while offsetting dilution

(1) Detailed explanations of non-GAAP financials and reconciliations between GAAP and non-GAAP financials can be found at the end of this presentation

(2) Defined as Net Debt / LTM Adjusted EBITDA; Adjusted EBITDA is a non-GAAP measure

(3) Debt/Equity = Gross Debt / Total Stockholder's Equity

2025 Financial Highlights



REVENUE

\$1.80 billion

Up 21% YoY



NON-GAAP GROSS MARGIN⁽¹⁾

38.7%

Up 240 bps YoY



OPERATING CASH FLOW⁽²⁾

\$235 million

Record level



NON-GAAP EPS

\$6.41

Up 73% YoY



NON-GAAP OP MARGIN⁽¹⁾

15.8%

Up 560 bps YoY



TOTAL CASH

\$791 million

Net Cash³ of \$224 million

(1) Detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

(2) Cash flow from operating activities from continuing operations

(3) Net cash = Cash less Current portion of long-term debt and Long-term debt

Q4 and 2025 Summary

Q4 2025 revenue and non-GAAP EPS⁽¹⁾ exceeded guidance

- Revenue of \$489 million grew 18% YoY; non-GAAP EPS of \$1.94 increased 49% YoY
- Strengthening demand in Semiconductor and Industrial & Medical drove upside; Data Center was another record
- Non-GAAP gross margin⁽¹⁾ reached 39.7%, the highest level in 5 years, despite tariffs and factory ramp costs

2025 revenue grew 21% with higher margins and record cash flow

- Data Center Computing grew 107% year-over-year, and the second strongest year in Semiconductor
- Non-GAAP gross margin increased by 240 bps on China factory exit and revenue leverage
- Non-GAAP operating margin⁽¹⁾ of 15.8% increased by 560 bps; non-GAAP EPS of \$6.41 grew 73%

For 2026, expect strength across our markets and multiple designs ramping to production

- Expect total revenue in 2026 to grow in the high teens
- Semi to further strengthen in 2H'26, underpinned by downstream investments in advanced logic and memory
- Raised Data Center revenue growth outlook to over 30% on higher demand and production ramp of new programs
- Gain share in Industrial & Medical by leveraging investments in products, customization, marketing and distribution

Strategically focused on high value applications across multiple growing markets

- Diversification strategy allows us to deliver strong revenue growth, profitability, and cash flow through market cycles
- Strong execution and aggressive investment in R&D and capacity enable us to capture upside across our markets
- Target long-term gross margin of 43% on improved manufacturing efficiency, new products, and revenue leverage
- Expand our footprint to >\$2.5 billion of revenue-generating capacity, plus an additional \$1 billion when Thailand is full

(1) Detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

Evergreen™ FCM 33kW

High-power modular AC-DC power shelf capable of multi-shelf paralleling designed for Semi Test, burn-in and industrial applications

Q4 2025 Detail by Market

Semiconductor Equipment

Up 8% QoQ & Down 7% YoY

- Q4 well ahead of plan as customer demand strengthened
- 2025 Semi revenue grew 6% to 2nd highest level in company history, with new products beginning to contribute to revenue
- eVoS™, eVerest™ and NavX™ are delivering meaningful improvements in yield and throughput at the leading-edge
- Expect new product revenue to grow over the course of 2026 and new development projects to convert to additional wins
- Multiple key System Power slots in Semi ramping to volume in 2026

Telecom & Networking

Down 9% QoQ & Down 6% YoY

- Q4 revenue declined on program timing
- 2025 was a stable year and expect 2026 to be similar

Data Center Computing

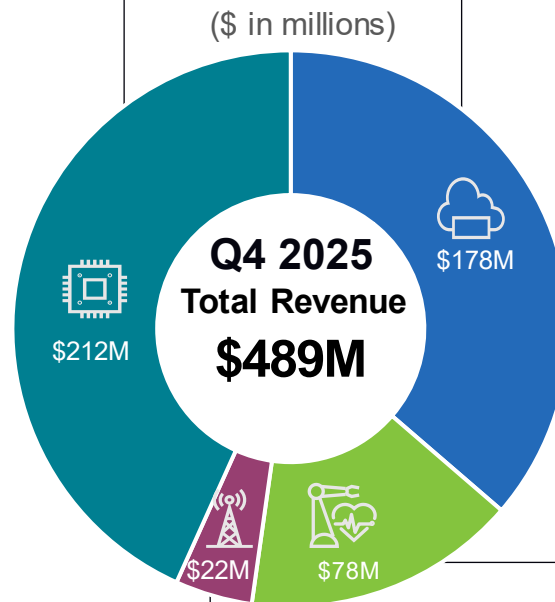
Up 4% QoQ & Up 101% YoY

- Q4 was another record, as we quickly adjusted output to meet changes in product mix
- AE's modular tech blocks, strong design team, development speed are key growth enablers
- Working closely with key customers to develop solutions for next-generation AI data center
- Engaging with a 2nd wave of customers to deliver modified version of our platforms

Industrial & Medical

Up 10% QoQ & Up 2% YoY

- Q4 bookings, backlog, and resales were up, while channel inventory was down, suggesting market environment has largely normalized
- Secured design wins in factory automation, medical imaging, and electrosurgery
- Revenue from several wins in factory automation and defense should enable us to outgrow the market in 2026



Lead the Future of Precision Power



01

Precision power leader enabling next generation processes and technologies

02

Expanding set of high-end opportunities across diverse end markets

03

Solid revenue growth driven by new products, share gain, and acquisitions

04

Superior earnings power with well-defined path to expand non-GAAP gross margin⁽¹⁾ to ~43%

(1) Gross margin on a non-GAAP basis; Detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

Thank You

2030 Target Model with Scenarios

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Gross Margin ⁽¹⁾	36.3%	39.8%	41.3%	42.4%	43.5%	42.0%	43.3%
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Operating Margin ⁽¹⁾	10.2%	15.7%	19.0%	21.6%	23.7%	22.0%	23.4%
EBITDA Margin ⁽¹⁾	13.0%	19.0%	21.9%	24.2%	26.0%	24.0%	25.7%
Earnings Per Share ⁽¹⁾	\$3.71	\$6.25	\$8.75	\$11.25	\$13.75	\$1.25	\$15.00
Free Cash Flow	\$76	\$170	\$260	\$350	\$440	\$80	\$520

(1) Non-GAAP financial basis; detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

(2) The \$1.75B, \$2.00B and \$2.25B revenue scenarios reflect the full benefit of gross margin expansion programs

Environment, Social and Governance Highlights

Environment

98%

Peak conversion efficiency for energy-intensive data center computing applications

86%

Total Waste Diversion Rate in our Asia Pacific factories

~35%

Reduced Scope 2 CO₂ emissions from 2014 to 2022 of factories in China and Philippines

Social

~44%

Women as % of global workforce

0.17

Total Recordable Incident Rate (TRIR)

435

Employees participated in the **Leadership Development Program**

Governance

90%

Board members are **Independent, non-executive** directors

30%

of Board of Directors are **women**

4.6

Years of average tenure for Board of Directors (as of May 1, 2024)



Achievement

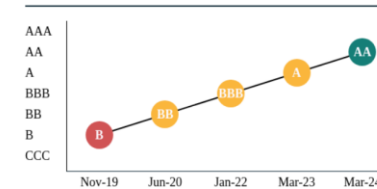
Rated in the **Top 20 percent** of all companies in the sector

MSCI
ESG RATINGS



CCC B BB BBB A **AA** AAA

ESG Rating history



ESG Rating history shows five most recent rating actions

Q1 2026 Guidance



Revenue

\$500 million $\pm$ \$20 million



GAAP EPS from continuing operations

\$1.44 $\pm$ \$0.25



Non-GAAP⁽¹⁾ EPS

\$1.94 $\pm$ \$0.25

(1) Detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials can be found at the end of this presentation

Quarterly Non-GAAP Financials⁽¹⁾

Quarterly Trend

(figures in \$ millions, except percentage and EPS)

All figures from Continuing Operations

	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
Revenue	425.0	415.5	410.0	405.3	327.5	364.9	374.2	415.4	404.6	441.5	463.3	489.4
Gross Profit	156.5	147.8	148.2	144.5	115.0	128.9	136.0	157.9	153.4	168.1	181.2	194.3
Gross Margin	36.8%	35.6%	36.1%	35.7%	35.1%	35.3%	36.3%	38.0%	37.9%	38.1%	39.1%	39.7%
Total OPEX	99.7	98.5	97.3	94.9	93.6	95.1	96.8	101.8	98.6	103.6	103.4	107.4
OPEX %	23.5%	23.7%	23.7%	23.4%	28.6%	26.1%	25.9%	24.5%	24.4%	23.5%	22.3%	21.9%
Operating Income	56.8	49.3	50.9	49.7	21.4	33.8	39.2	56.1	54.8	64.5	77.8	86.9
Operating Income %	13.4%	11.9%	12.4%	12.3%	6.5%	9.3%	10.5%	13.5%	13.5%	14.6%	16.8%	17.8%
Depreciation ⁽²⁾	9.5	9.4	9.7	9.7	10.0	10.2	11.1	11.1	10.6	10.0	9.5	9.8
Adj. EBITDA⁽²⁾	66.3	58.7	60.7	59.4	31.4	44.0	50.3	67.2	65.4	74.5	87.3	96.7
Adj. EBITDA %	15.6%	14.1%	14.8%	14.6%	9.6%	12.0%	13.5%	16.2%	16.2%	16.9%	18.8%	19.8%
Other Income/(Expense)	0.5	0.2	1.3	5.2	5.2	4.2	4.2	1.6	0.9	2.3	1.7	1.1
Income Before Taxes	57.3	49.5	52.3	54.8	26.6	38.0	43.4	57.7	55.7	66.8	79.6	88.0
Tax Provision/(Benefit)	10.4	7.6	3.8	8.1	4.6	6.0	6.3	8.4	8.8	10.2	13.2	12.9
Tax Rate	18.1%	15.3%	7.2%	14.8%	17.3%	15.8%	14.5%	14.6%	15.8%	15.3%	16.6%	14.7%
Non-GAAP Net Income	47.0	41.9	48.5	46.7	22.0	32.0	37.1	49.3	46.9	56.6	66.4	75.1
Net Income %	11.1%	10.1%	11.8%	11.5%	6.7%	8.8%	9.9%	11.9%	11.6%	12.8%	14.3%	15.3%
Non-GAAP EPS	\$1.24	\$1.11	\$1.28	\$1.24	\$0.58	\$0.85	\$0.98	\$1.30	\$1.23	\$1.50	\$1.74	\$1.94
Average Shares Outstanding	37.8	37.8	37.9	37.6	37.7	37.8	37.9	38.0	38.1	37.8	38.1	38.8

(1) For detailed explanations of non-GAAP financials and reconciliations of GAAP to non-GAAP financials, please refer to our 10-K and 10-Q filings with the SEC

(2) Adjusted EBITDA is defined as non-GAAP operating income + non-GAAP depreciation, which excludes \$461K in accelerated depreciation for manufacturing consolidation in Q3 2024

Non-GAAP Measures

Detailed reconciliations of GAAP to non-GAAP financials can be found on the subsequent slides.

These slides include measures, such as non-GAAP earnings per share (“EPS”), non-GAAP gross margin and other non-GAAP financial measures, that are not prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Management uses non-GAAP EPS to evaluate business performance without the impacts of certain non-cash charges and other charges which are not part of our usual operations. We use these non-GAAP measures to assess performance against business objectives and make business decisions, including developing budgets and forecasting future periods. In addition, management’s incentive plans include certain non-GAAP measures as criteria for achievements. These non-GAAP measures are not prepared in accordance with U.S. GAAP and may differ from non-GAAP methods of accounting and reporting used by other companies. However, we believe these non-GAAP measures provide additional information that enables readers to evaluate our business from the perspective of management. The presentation of this additional information should not be considered a substitute for results prepared in accordance with U.S. GAAP.

The non-GAAP results presented below exclude the impact of non-cash related charges, such as stock-based compensation, amortization of intangible assets, and long-term unrealized foreign exchange gains and losses. In addition, we exclude discontinued operations and other items such as acquisition-related costs, facility, infrastructure, and other transition costs, and restructuring expenses, as they are not indicative of future performance. The tax effect of our non-GAAP adjustments represents the anticipated annual tax rate applied to each non-GAAP adjustment after consideration of their respective book and tax treatments.

Non-GAAP Reconciliation

(\$ in millions, except percentage and \$ per share)

Reconciliation of Non-GAAP measure - operating expenses and operating income, excluding certain items

	Year Ended December 31,							
	2018	2019	2020	2021	2022	2023	2024	2025
Gross profit from continuing operations, as reported	\$ 365.6	\$ 315.7	\$ 541.9	\$ 532.3	\$ 675.5	\$ 592.4	\$ 529.3	\$ 677.4
Adjustments to gross profit:								
Stock-based compensation	0.7	0.5	0.6	0.8	1.5	2.1	4.0	4.9
Facility expansion, relocation costs and other	1.3	3.9	4.3	6.2	5.3	2.3	4.4	14.7
Acquisition-related costs	0.6	8.3	5.4	3.6	(0.3)	0.2	(0.0)	-
Non-GAAP gross profit	368.2	328.4	552.2	542.9	682.0	597.0	537.7	697.0
Non-GAAP gross margin	51.2%	41.6%	39.0%	37.3%	37.0%	36.1%	36.3%	38.7%
Operating expenses from continuing operations, as reported	194.1	261.3	365.8	380.6	442.4	478.7	492.7	509.4
Adjustments:								
Amortization of intangible assets	(5.8)	(12.2)	(20.1)	(22.1)	(26.1)	(28.3)	(26.0)	(22.1)
Stock-based compensation	(9.0)	(6.8)	(11.7)	(15.0)	(18.4)	(28.9)	(41.9)	(50.8)
Acquisition-related costs	(1.7)	(12.0)	(10.2)	(6.8)	(8.6)	(4.0)	(6.0)	(5.8)
Facility expansion, relocation costs and other	(0.5)	(0.9)	(2.2)	(0.2)	—	(0.2)	(1.2)	(5.2)
Restructuring	(4.2)	(5.0)	(13.2)	(4.8)	(6.8)	(27.0)	(30.3)	(12.5)
Non-GAAP operating expenses	172.8	224.3	308.4	331.8	382.5	390.3	387.2	413.0
Non-GAAP operating expenses as % of revenue	24.0%	28.4%	21.8%	22.8%	20.7%	23.6%	23.4%	23.0%
Non-GAAP operating income	\$ 195.4	\$ 104.1	\$ 243.7	\$ 211.0	\$ 299.5	\$ 206.7	\$ 150.5	\$ 284.0
Non-GAAP operating margin	27.2%	13.2%	17.2%	14.5%	16.2%	12.5%	10.2%	15.8%
Sales	718.9	788.9	1,415.8	1,456.0	1,845.4	1,655.8	1,655.8	1,798.8
Non-GAAP gross margin	51.2%	41.6%	39.0%	37.3%	37.0%	36.1%	32.5%	38.7%
Non-GAAP operating margin	27.2%	13.2%	17.2%	14.5%	16.2%	12.5%	9.1%	15.8%

Reconciliation of Adjusted EBITDA

	Year Ended December 31,							
	2018	2019	2020	2021	2022	2023	2024	2025
Non-GAAP operating income	\$ 195.4	\$ 104.1	\$ 243.7	\$ 211.0	\$ 299.5	\$ 206.7	\$ 150.5	\$ 284.0
Adjustments:								
Depreciation	7.8	14.0	27.6	30.8	34.2	38.3	42.4	39.8
Adjusted EBITDA	\$ 203.2	\$ 118.0	\$ 271.4	\$ 241.9	\$ 333.7	\$ 245.0	\$ 192.9	\$ 323.9

Non-GAAP Reconciliation

(\$ in millions, except percentage and \$ per share)

Reconciliation of Non-GAAP measure - income excluding certain items

	Year Ended December 31,							
	2018	2019	2020	2021	2022	2023	2024	2025
Income from continuing operations, less non-controlling interest, net of income taxes	\$ 147.1	\$ 56.5	\$ 135.1	\$ 134.7	\$ 201.9	\$ 130.7	\$ 56.3	\$ 149.3
Adjustments:								
Amortization of intangible assets	5.8	12.2	20.1	22.1	26.1	28.3	26.0	22.1
Acquisition-related costs	2.3	20.3	15.6	10.4	8.3	4.3	6.0	5.8
Facility expansion, relocation costs, and other	1.8	4.8	6.6	6.4	5.3	2.5	5.6	19.9
Restructuring	4.2	5.0	13.2	4.8	6.8	27.0	30.3	12.5
Unrealized foreign currency (gain) loss	-	-	8.4	(3.5)	(7.6)	(0.1)	(3.5)	5.2
Acquisition-related costs and other included in other (income) expense, net	-	(0.0)	0.7	(2.2)	(8.4)	(1.5)	2.8	0.2
Other charges	5.7	(13.7)	-	-	-	-	-	-
Tax effect of non-GAAP adjustments	(2.3)	3.2	(7.6)	(1.3)	(3.0)	(31.3)	(19.6)	(14.0)
Non-GAAP income, net of income taxes, excluding stock-based compensation	164.6	88.2	192.0	171.2	229.4	159.9	104.0	201.0
Stock-based compensation, net of taxes	7.4	5.6	9.4	12.0	15.4	24.2	36.3	44.0
Non-GAAP income, net of income taxes	\$ 172.0	\$ 93.9	\$ 201.5	\$ 183.2	\$ 244.8	\$ 184.0	\$ 140.3	\$ 245.0
Non-GAAP diluted earnings per share	\$ 4.37	\$ 2.44	\$ 5.23	\$ 4.78	\$ 6.49	\$ 4.88	\$ 3.71	\$ 6.41

Reconciliation of non-GAAP measure - per share earnings excluding certain items

	Year Ended December 31,							
	2018	2019	2020	2021	2022	2023	2024	2025
Diluted earnings per share from continuing operations, as reported	\$ 3.74	\$ 1.47	\$ 3.51	\$ 3.51	\$ 5.35	\$ 3.46	\$ 1.49	\$ 3.87
Add back:								
Per share impact of non-GAAP adjustments, net of tax	0.63	0.97	1.72	1.27	1.14	1.42	2.22	2.54
Non-GAAP earnings per share	\$ 4.37	\$ 2.44	\$ 5.23	\$ 4.78	\$ 6.49	\$ 4.88	\$ 3.71	\$ 6.41

Reconciliation of Free Cash Flow

	Year Ended December 31,							
	2018	2019	2020	2021	2022	2023	2024	2025
Cash flow from operating activities from continuing operations	\$ 151.4	\$ 47.9	\$ 202.2	\$ 140.9	\$ 183.7	\$ 212.9	\$ 132.9	\$ 234.7
Adjustments:								
Purchases of property and equipment	(20.3)	(25.2)	(36.5)	(28.8)	(58.9)	(61.0)	(56.8)	(107.4)
Free Cash Flow	\$ 131.1	\$ 22.7	\$ 165.7	\$ 112.1	\$ 124.8	\$ 151.9	\$ 76.1	\$ 127.3

Non-GAAP Reconciliation

(\$ in millions, except percentage and \$ per share)

Reconciliation of non-GAAP measures

Non-GAAP gross profit, gross margin, operating expenses, operating income, and operating margin

	Three Months Ended			Year Ended	
	December 31, 2025	2024	September 30, 2025	December 31, 2025	2024
Gross profit from continuing operations, as reported	\$ 189.1	\$ 154.6	\$ 174.4	\$ 677.4	\$ 529.3
Adjustments to gross profit:					
Stock-based compensation	1.3	1.1	1.3	4.9	4.0
Facility, infrastructure, and other transition costs	3.9	2.1	5.5	14.7	4.5
Acquisition-related costs	—	0.1	—	—	—
Non-GAAP gross profit	194.3	157.9	181.2	697.0	537.8
GAAP gross margin	38.6 %	37.2 %	37.6 %	37.7 %	35.7 %
Non-GAAP gross margin	39.7 %	38.0 %	39.1 %	38.7 %	36.3 %
Operating expenses from continuing operations, as reported	132.5	120.8	125.2	509.4	492.7
Adjustments:					
Amortization of intangible assets	(5.4)	(5.5)	(5.6)	(22.1)	(26.0)
Stock-based compensation	(13.2)	(10.6)	(13.3)	(50.8)	(41.9)
Acquisition-related costs	(1.8)	(1.2)	(1.2)	(5.8)	(6.0)
Facility, infrastructure, and other transition costs	(1.1)	(0.7)	(1.0)	(5.2)	(1.2)
Restructuring, asset impairments, and other charges	(3.6)	(1.0)	(0.7)	(12.5)	(30.3)
Non-GAAP operating expenses	107.4	101.8	103.4	413.0	387.3
Non-GAAP operating income	\$ 86.9	\$ 56.1	\$ 77.8	\$ 284.0	\$ 150.5
GAAP operating income	\$ 56.6	\$ 33.8	\$ 49.2	\$ 168.0	\$ 36.6
Adjustments to gross profit	5.2	3.3	6.8	19.6	8.5
Adjustments to operating expenses	25.1	19.0	21.8	96.4	105.4
Non-GAAP operating income	\$ 86.9	\$ 56.1	\$ 77.8	\$ 284.0	\$ 150.5
GAAP income from continuing operations	\$ 52.5	\$ 49.0	\$ 46.4	\$ 149.3	\$ 56.3
GAAP operating margin	11.6 %	8.1 %	10.6 %	9.3 %	2.5 %
Non-GAAP operating margin	17.8 %	13.5 %	16.8 %	15.8 %	10.2 %

Reconciliation of non-GAAP measure

Non-GAAP income, net of income tax

	Three Months Ended			Year Ended	
	December 31, 2025	2024	September 30, 2025	December 31, 2025	2024
Income from continuing operations, net of income tax	\$ 52.5	\$ 49.0	\$ 46.4	\$ 149.3	\$ 56.3
Adjustments:					
Amortization of intangible assets	5.4	5.5	5.6	22.1	26.0
Acquisition-related costs	1.8	1.3	1.2	5.8	6.0
Facility, infrastructure, and other transition costs	5.0	2.8	6.5	19.9	5.7
Restructuring, asset impairments, and other charges	3.6	1.0	0.7	12.5	30.3
Unrealized foreign currency loss (gain)	0.5	(4.2)	(1.3)	5.2	(3.4)
Other costs included in other income (expense), net	—	(0.9)	—	0.2	2.8
Stock-based compensation	14.5	11.9	14.6	55.7	45.9
Tax effect of non-GAAP adjustments, including certain discrete tax benefits	(8.2)	(17.1)	(7.3)	(25.7)	(29.2)
Non-GAAP income, net of income tax	\$ 75.1	\$ 49.3	\$ 66.4	\$ 245.0	\$ 140.4

Reconciliation of non-GAAP measure

Non-GAAP diluted weighted-average common shares

	Three Months Ended			Year Ended	
	December 31, 2025	2024	September 30, 2025	December 31, 2025	2024
Diluted weighted-average common shares outstanding	40.2	38.0	38.5	38.6	37.8
Dilutive effect of convertible notes	(1.4)	—	(0.4)	(0.4)	—
Non-GAAP diluted weighted-average common shares outstanding	38.8	38.0	38.1	38.2	37.8

Reconciliation of non-GAAP measure

Non-GAAP earnings per share

	Three Months Ended			Year Ended	
	December 31, 2025	2024	September 30, 2025	December 31, 2025	2024
Diluted earnings per share from continuing operations, as reported	\$ 1.31	\$ 1.29	\$ 1.21	\$ 3.87	\$ 1.49
Add back:					
Per share impact of non-GAAP adjustments, net of tax	0.63	0.01	0.53	2.54	2.22
Non-GAAP earnings per share	\$ 1.94	\$ 1.30	\$ 1.74	\$ 6.41	\$ 3.71

Q1 2026 Reconciliation of GAAP to Non-GAAP Guidance

Reconciliation of Q1 2026 Guidance

	<u>Low End</u>	<u>High End</u>
Revenue	\$480 million	\$520 million

Reconciliation of non-GAAP earnings per share

GAAP earnings per share	\$ 1.19	\$ 1.69
Stock-based compensation	0.35	0.35
Amortization of intangible assets	0.12	0.12
Restructuring expenses and other costs	0.15	0.15
Tax effects of excluded items	(0.12)	(0.12)
Non-GAAP earnings per share	<u>\$ 1.69</u>	<u>\$ 2.19</u>